

AMENDED IN SENATE JUNE 11, 2013

AMENDED IN ASSEMBLY MAY 13, 2013

AMENDED IN ASSEMBLY APRIL 16, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 501**

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**Introduced by Assembly Member Nazarian**

February 20, 2013

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An act to amend Section 25250.51 of the Health and Safety Code, to amend Section 42950 of the Public Resources Code, and to amend Sections ~~21100~~ 12200, 12204, and 34601 of, ~~and to repeal Section 27314.5 of~~, the Vehicle Code, relating to vehicles.

### LEGISLATIVE COUNSEL'S DIGEST

AB 501, as amended, Nazarian. Vehicles.

(1) Existing law prohibits the sale of motor brake friction materials containing specified constituents in excess of specified concentrations. Existing law, however, until December 31, 2023, permits motor vehicle manufacturers and distributors, wholesalers, or retailers to sell brake friction materials that are not certified as compliant with that provision solely for the purpose of depletion of inventories.

This bill would additionally permit motor vehicle dealers to continue to sell or offer for sale brake friction material not certified as compliant, as specified, if the brake friction material was installed before the vehicle was acquired by the dealer.

(2) Existing law defines tire broker to mean a person that arranges for the shipment of used or waste tires to or from a site located within the state, or through the state, as defined. Existing law requires a tire broker to submit periodic information to the department on the used or

waste tires arranged to be shipped to the tire broker to, from, or through the state.

This bill would exclude from the definition of a tire broker a tire retailer primarily engaged in the retail sale, service, and installation of tires on customer vehicles, or a vehicle dealer, as defined.

~~(3) Existing law authorizes local authorities to adopt rules and regulations regarding regulating advertising signs on motor vehicles parked or left standing on a public street as well as minimum distances that the advertising sign must be moved after a specified time period. Existing law exempts from local rules and regulations a license plate frame containing paper advertisements issued by a dealer within the license plate frame or any advertisement on that license plate frame if the license plate frame does not obstruct or impair the reading or recognition of a license plate by an electronic device operated, as specified, or a remote emission sensing device, as specified.~~

This bill would additionally exempt from local rules and regulations a license plate bracket containing any advertisement issued by a dealer if the license plate bracket is installed as specified.

~~(4) Existing law requires a dealer, selling or offering for sale any specified used passenger vehicle, except as otherwise provided, to affix a specified notice on the window of the left front door or as specified, and another specified notice on one rear seat lap belt buckle at all times the vehicle is offered for sale and in a specified manner.~~

~~This bill would delete that requirement.~~

*(3) Existing law permits a consumer to file an application with the recovery corporation for the payment of the consumer's eligible claim if a dealer or lessor-retailer against whom the claim is asserted has ceased selling and leasing motor vehicles to the general public or has become subject to a petition in bankruptcy. Existing law, for purposes of specified provisions, defines "eligible claim" to mean an unsatisfied claim for economic loss, that is not barred by the statutes of limitation and that accrues, as specified, to, among other things, remit license or registration fees received or contractually obligated to be paid from a consumer to the department, or pay the amount specified in a consignment agreement to a consumer after the sale of a consigned vehicle.*

*This bill would expand the definition of "eligible claim," to include providing a consumer who purchased a vehicle from the dealer or lessor-retailer with good title to the vehicle, free from any security interest or other lien, encumbrance, or claim, unless otherwise clearly*

*and conspicuously provided for by the written sale agreement, and to include paying to a third party any amount received from, or contractually obligated to be paid by, a consumer for insurance, service contracts, or goods or services purchased through the dealer or lessor-retailer and to be provided by the third party.*

*(4) Existing law permits a consumer to file an application with the recovery corporation for the payment of the consumer's eligible claim if a dealer or lessor-retailer against whom the claim is asserted has ceased selling and leasing motor vehicles to the general public or has become subject to a petition in bankruptcy.*

*This bill would require, if the eligible claim is based on the failure to provide good title, the application to be accompanied by a statement from the legal owner or other claimant of the amount, if any, that he or she received from the dealer or lessor-retailer. The bill would require the eligible claim to be limited to the remaining dollar amount necessary to discharge the valid security interest, lien, encumbrance, or other clouding title to the vehicle.*

*This bill would require, if the eligible claim is based on the failure to pay third parties for insurance, service contracts, or goods or services, the application to be accompanied by a statement from the third party of the amount, if any, that he or she received from the dealer or lessor-retailer. The bill would require that the eligible claim be limited to the difference between the dollar amount the consumer paid or was contractually obligated to pay to the dealer or lessor-retailer for the insurance, service contracts, or goods or services purchased through the dealer or lessor-retailer and to be provided by the third party and the dollar amount actually received by the third party from the dealer or lessor-retailer for the insurance, service contracts, or goods or services.*

*(5) Existing law excludes from the definition of commercial motor vehicle, for purposes of certain provisions, specified trucks and truck tractors with a gross vehicle weight rating of less than 26,001 pounds, when used solely to tow specified trailers. Existing law prohibits a motor carrier of property from operating a commercial motor vehicle on any public highway in this state, unless it has, among other things, registered with the department its carrier identification number, as specified, and holds a valid motor carrier permit issued to that motor carrier by the department.*

*This bill would additionally exclude from the definition of commercial motor vehicle specified trucks and truck tractors, with a gross vehicle*

rating of less than 26,000 pounds, operated solely to tow specified trailers, including trailers designed to transport watercraft. This bill would also exclude from the definition of commercial motor vehicle specified truck and truck tractors, with a gross vehicle weight rating of less than 16,001 pounds, operated singly in noncommercial use.

(6) This bill would make other technical, nonsubstantive, conforming, and clarifying changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 25250.51 of the Health and Safety Code  
2 is amended to read:

3 25250.51. (a) On and after January 1, 2014, any motor vehicle  
4 brake friction materials containing any of the following constituents  
5 in an amount that exceeds the following concentrations shall not  
6 be sold in this state:

7 (1) Cadmium and its compounds: 0.01 percent by weight.

8 (2) Chromium (VI)-salts: 0.1 percent by weight.

9 (3) Lead and its compounds: 0.1 percent by weight.

10 (4) Mercury and its compounds: 0.1 percent by weight.

11 (5) Asbestiform fibers: 0.1 percent by weight.

12 (b) Motor vehicle manufacturers and distributors, wholesalers,  
13 or retailers of replacement brake friction materials may continue  
14 to sell or offer for sale brake friction materials not certified as  
15 compliant with subdivision (a) solely for the purpose of depletion  
16 of inventories until December 31, 2023.

17 (c) Notwithstanding subdivision (b), motor vehicle dealers may  
18 continue to sell or offer for sale brake friction material not certified  
19 as compliant with subdivision (a) if the brake friction material was  
20 installed on a vehicle before the vehicle was acquired by the dealer.

21 SEC. 2. Section 42950 of the Public Resources Code is  
22 amended to read:

23 42950. For purposes of this chapter, the following definitions  
24 apply:

25 (a) "Agricultural purposes" means the use of waste tires as  
26 bumpers on agricultural equipment or as a ballast to maintain  
27 covers or structures at an agricultural site.

1 (b) (1) “Altered waste tire” means a waste tire that has been  
2 baled, shredded, chopped, or split apart. “Altered waste tire” does  
3 not mean crumb rubber.

4 (2) “Alteration” or “altering,” with reference to a waste tire,  
5 means an action that produces an altered waste tire.

6 (c) “Applicant” means a person seeking to register as a waste  
7 tire hauler.

8 (d) “Baled tire” means either a whole or an altered tire that has  
9 been compressed and then secured with a binding material for the  
10 purpose of reducing its volume.

11 (e) “Common carrier” means a “common carrier,” as defined  
12 in Section 211 of the Public Utilities Code.

13 (f) “Crumb rubber” means rubber granules derived from a waste  
14 tire that are less than or one-quarter inch or six millimeters in size.

15 (g) “Repairable tire” means a worn, damaged, or defective tire  
16 that is retreadable, recappable, or regrooveable, or that can be  
17 otherwise repaired to return the tire to use as a vehicle tire, and  
18 that meets the applicable requirements of the Vehicle Code and  
19 Title 13 of the California Code of Regulations.

20 (h) “Scrap tire” means a worn, damaged, or defective tire that  
21 is not a repairable tire.

22 (i) “Tire broker” means a person that arranges for the shipment  
23 of used or waste tires to or from a site located within the state, or  
24 through the state, as that term may be further defined by the  
25 department by regulation. “Tire broker” does not include a tire  
26 retailer primarily engaged in the retail sale, service, and installation  
27 of tires on customer vehicles, or a vehicle dealer, as defined in  
28 Section 285 of the Vehicle Code.

29 (j) “Tire derived product” means material that meets both of  
30 the following requirements:

31 (1) Is derived from a process using waste tires or waste tire  
32 equivalents as a feedstock. A process using waste tires or waste  
33 tire equivalents includes, but is not limited to, shredding, crumbing,  
34 or chipping.

35 (2) Has been sold and removed from the processing facility.

36 (k) “Used tire” means a tire that meets both of the following  
37 requirements:

38 (1) The tire is no longer mounted on a vehicle but is still suitable  
39 for use as a vehicle tire.

(2) The tire meets the applicable requirements of the Vehicle Code and of Title 13 of the California Code of Regulations.

(l) “Waste tire” means a tire that is no longer mounted on a vehicle and is no longer suitable for use as a vehicle tire due to wear, damage, or deviation from the manufacturer’s original specifications. A waste tire includes a repairable tire, scrap tire, and altered waste tire, but does not include a tire derived product, crumb rubber, or a used tire.

(m) “Waste tire generator” or “waste tire generating business” means a person as defined by Section 40170 whose act or process produces waste tires as defined in Section 42807, causes a waste tire hauler to transport those waste tires, or otherwise causes waste tires to become subject to regulation. “Waste tire generator” or “waste tire generating business” does not include a person who transports 10 or fewer waste tires at any one time.

~~SEC. 3. Section 21100 of the Vehicle Code is amended to read:~~

~~21100. Local authorities may adopt rules and regulations by ordinance or resolution regarding all of the following matters:~~

~~(a) Regulating or prohibiting processions or assemblages on the highways.~~

~~(b) Licensing and regulating the operation of vehicles for hire and drivers of passenger vehicles for hire.~~

~~(c) Regulating traffic by means of traffic officers.~~

~~(d) Regulating traffic by means of official traffic control devices meeting the requirements of Section 21400.~~

~~(e) (1) Regulating traffic by means of a person given temporary or permanent appointment for that duty by the local authority when official traffic control devices are disabled or otherwise inoperable, at the scenes of accidents or disasters, or at locations as may require traffic direction for orderly traffic flow.~~

~~(2) A person shall not be appointed pursuant to this subdivision unless and until the local authority has submitted to the commissioner or to the chief law enforcement officer exercising jurisdiction in the enforcement of traffic laws within the area in which the person is to perform the duty, for review, a proposed program of instruction for the training of a person for that duty, and unless and until the commissioner or other chief law enforcement officer approves the proposed program. The commissioner or other chief law enforcement officer shall approve a proposed program if he or she reasonably determines that the~~

1 program will provide sufficient training for persons assigned to  
2 perform the duty described in this subdivision.

3 (f) ~~Regulating traffic at the site of road or street construction or~~  
4 ~~maintenance by persons authorized for that duty by the local~~  
5 ~~authority.~~

6 (g) ~~(1) Licensing and regulating the operation of tow truck~~  
7 ~~service or tow truck drivers whose principal place of business or~~  
8 ~~employment is within the jurisdiction of the local authority,~~  
9 ~~excepting the operation and operators of any auto dismantlers' tow~~  
10 ~~vehicle licensed under Section 11505 or any tow truck operated~~  
11 ~~by a repossessing agency licensed under Chapter 11 (commencing~~  
12 ~~with Section 7500) of Division 3 of the Business and Professions~~  
13 ~~Code and its registered employees.~~

14 (2) ~~The Legislature finds that the safety and welfare of the~~  
15 ~~general public is promoted by permitting local authorities to~~  
16 ~~regulate tow truck service companies and operators by requiring~~  
17 ~~licensure, insurance, and proper training in the safe operation of~~  
18 ~~towing equipment, thereby ensuring against towing mistakes that~~  
19 ~~may lead to violent confrontation, stranding motorists in dangerous~~  
20 ~~situations, impeding the expedited vehicle recovery, and wasting~~  
21 ~~state and local law enforcement's limited resources.~~

22 (3) ~~This subdivision does not limit the authority of a city or city~~  
23 ~~and county pursuant to Section 12111.~~

24 (h) ~~Operation of bicycles, and, as specified in Section 21114.5,~~  
25 ~~electric carts by physically disabled persons, or persons 50 years~~  
26 ~~of age or older, on the public sidewalks.~~

27 (i) ~~Providing for the appointment of nonstudent school crossing~~  
28 ~~guards for the protection of persons who are crossing a street or~~  
29 ~~highway in the vicinity of a school or while returning thereafter~~  
30 ~~to a place of safety.~~

31 (j) ~~Regulating the methods of deposit of garbage and refuse in~~  
32 ~~streets and highways for collection by the local authority or by~~  
33 ~~any person authorized by the local authority.~~

34 (k) ~~(1) Regulating cruising.~~

35 (2) ~~The ordinance or resolution adopted pursuant to this~~  
36 ~~subdivision shall regulate cruising, which is the repetitive driving~~  
37 ~~of a motor vehicle past a traffic control point in traffic that is~~  
38 ~~congested at or near the traffic control point, as determined by the~~  
39 ~~ranking peace officer on duty within the affected area, within a~~  
40 ~~specified time period and after the vehicle operator has been given~~

1 ~~an adequate written notice that further driving past the control~~  
2 ~~point will be a violation of the ordinance or resolution.~~

3 ~~(3) A person is not in violation of an ordinance or resolution~~  
4 ~~adopted pursuant to this subdivision unless both of the following~~  
5 ~~apply:~~

6 ~~(A) That person has been given the written notice on a previous~~  
7 ~~driving trip past the control point and then again passes the control~~  
8 ~~point in that same time interval.~~

9 ~~(B) The beginning and end of the portion of the street subject~~  
10 ~~to cruising controls are clearly identified by signs that briefly and~~  
11 ~~clearly state the appropriate provisions of this subdivision and the~~  
12 ~~local ordinance or resolution on cruising.~~

13 ~~(l) Regulating or authorizing the removal by peace officers of~~  
14 ~~vehicles unlawfully parked in a fire lane, as described in Section~~  
15 ~~22500.1, on private property. A removal pursuant to this~~  
16 ~~subdivision shall be consistent, to the extent possible, with the~~  
17 ~~procedures for removal and storage set forth in Chapter 10~~  
18 ~~(commencing with Section 22650).~~

19 ~~(m) Regulating mobile billboard advertising displays, as defined~~  
20 ~~in Section 395.5, including the establishment of penalties, which~~  
21 ~~may include, but are not limited to, removal of the mobile billboard~~  
22 ~~advertising display and misdemeanor criminal penalties, for a~~  
23 ~~violation of the ordinance or resolution. The ordinance or resolution~~  
24 ~~may establish a minimum distance that a mobile billboard~~  
25 ~~advertising display shall be moved after a specified time period.~~

26 ~~(n) Licensing and regulating the operation of pedicabs for hire,~~  
27 ~~as defined in Section 467.5, and operators of pedicabs for hire,~~  
28 ~~including requiring one or more of the following documents:~~

29 ~~(1) A valid California driver's license.~~

30 ~~(2) Proof of successful completion of a bicycle safety training~~  
31 ~~course certified by the League of American Bicyclists or an~~  
32 ~~equivalent organization as determined by the local authority.~~

33 ~~(3) A valid California identification card and proof of successful~~  
34 ~~completion of the written portion of the California driver's license~~  
35 ~~examination administered by the department. The department shall~~  
36 ~~administer, without charging a fee, the original driver's license~~  
37 ~~written examination on traffic laws and signs to a person who~~  
38 ~~states that he or she is, or intends to become, a pedicab operator,~~  
39 ~~and who holds a valid California identification card or has~~  
40 ~~successfully completed an application for a California identification~~



1 card. If the person achieves a passing score on the examination;  
2 the department shall issue a certificate of successful completion  
3 of the examination, bearing the person's name and identification  
4 card number. The certificate shall not serve in lieu of successful  
5 completion of the required examination administered as part of  
6 any subsequent application for a driver's license. The department  
7 is not required to enter the results of the examination into the  
8 computerized record of the person's identification card or otherwise  
9 retain a record of the examination or results.

10 (o) (1) This section does not authorize a local authority to enact  
11 or enforce an ordinance or resolution that establishes a violation  
12 if a violation for the same or similar conduct is provided in this  
13 code, nor does it authorize a local authority to enact or enforce an  
14 ordinance or resolution that assesses a fine, penalty, assessment,  
15 or fee for a violation if a fine, penalty, assessment, or fee for a  
16 violation involving the same or similar conduct is provided in this  
17 code.

18 (2) This section does not preclude a local authority from enacting  
19 parking ordinances pursuant to existing authority in Chapter 9  
20 (commencing with Section 22500) of Division 11.

21 (p) (1) Regulating advertising signs on motor vehicles parked  
22 or left standing upon a public street. The ordinance or resolution  
23 may establish a minimum distance that the advertising sign shall  
24 be moved after a specified time period.

25 (2) Paragraph (1) does not apply to any of the following:

26 (A) Advertising signs that are permanently affixed to the body  
27 of, an integral part of, or a fixture of a motor vehicle for permanent  
28 decoration, identification, or display and that do not extend beyond  
29 the overall length, width, or height of the vehicle.

30 (B) If the license plate frame is installed in compliance with  
31 Section 5201, paper advertisements issued by a dealer contained  
32 within that license plate frame or any advertisements on that license  
33 plate frame.

34 (C) If the license plate brackets are installed in accordance with  
35 Section 11713.17, any advertisements issued by a dealer on the  
36 license plate brackets.

37 (3) As used in paragraph (2), "permanently affixed" means any  
38 of the following:

39 (A) Painted directly on the body of a motor vehicle.

40 (B) Applied as a decal on the body of a motor vehicle.

1     ~~(C) Placed in a location on the body of a motor vehicle that was~~  
2     ~~specifically designed by a vehicle manufacturer as defined in~~  
3     ~~Section 672 and licensed pursuant to Section 11701, in compliance~~  
4     ~~with both state and federal law or guidelines, for the express~~  
5     ~~purpose of containing an advertising sign.~~

6     ~~SEC. 4. Section 27314.5 of the Vehicle Code is repealed.~~

7     ~~SEC. 3. Section 12200 of the Vehicle Code is amended to read:~~

8     12200. The following definitions apply to this chapter:

9     (a) “Application” means an application to the recovery  
10    corporation for the payment of an eligible claim from the recovery  
11    fund that is filed with the recovery corporation after January 1,  
12    2009.

13    (b) “Consumer” means a person who either (1) purchased or  
14    leased, or became obligated to purchase or lease, a motor vehicle  
15    to be used primarily for personal, family, or household purposes  
16    from a dealer or lessor-retailer licensed under this code, or (2)  
17    consigned for sale a motor vehicle that was used primarily for  
18    personal, family, or household purposes to a dealer licensed under  
19    this code.

20    (c) “Eligible claim” means an unsatisfied claim for economic  
21    loss, not barred by the statutes of limitation, that accrues after July  
22    1, 2008, as a result of the failure of a dealer licensed under this  
23    code, or if applicable, a lessor-retailer licensed under this code, to  
24    do any of the following:

25    (1) Remit license or registration fees received or contractually  
26    obligated to be paid from a consumer to the department.

27    (2) Pay to the legal owner of a vehicle transferred as a trade-in  
28    by a consumer to the dealer or lessor-retailer the amount necessary  
29    to discharge the prior credit balance owed to the legal owner.

30    (3) Pay to the lessor registered in accordance with Section  
31    4453.5 of a vehicle transferred as a trade-in by a consumer to the  
32    dealer or lessor-retailer the amount the dealer or lessor-retailer  
33    agreed to pay to the lessor.

34    (4) Pay the amount specified in a consignment agreement to a  
35    consumer after the sale of a consigned vehicle.

36    (5) *Provide a consumer who purchased a vehicle from the dealer*  
37    *or lessor-retailer with good title to the vehicle, free from any*  
38    *security interest or other lien, encumbrance, or claim, unless*  
39    *otherwise clearly and conspicuously provided for by the written*  
40    *sale agreement.*

1 (6) Pay to a third party any amount received from, or  
2 contractually obligated to be paid by, a consumer for insurance,  
3 service contracts, or goods or services purchased through the  
4 dealer or lessor-retailer and to be provided by the third party.

5 (d) "Participant" means a dealer licensed under this code or a  
6 lessor-retailer licensed under this code.

7 (e) "Recovery corporation" means the Consumer Motor Vehicle  
8 Recovery Corporation.

9 (f) "Recovery fund" means the consumer recovery fund  
10 established by the recovery corporation pursuant to Section 12203  
11 for the payment of eligible claims.

12 SEC. 4. Section 12204 of the Vehicle Code is amended to read:

13 12204. (a) A consumer may file an application with the  
14 recovery corporation for the payment of the consumer's eligible  
15 claim if a dealer or lessor-retailer against whom the claim is  
16 asserted has ceased selling and leasing motor vehicles to the general  
17 public or has become subject to a petition in bankruptcy.

18 (b) (1) The application shall be verified and shall set forth all  
19 of the following information:

20 (A) The consumer's name, address, and telephone number.

21 (B) The amount of the eligible claim.

22 (C) A description of the circumstances demonstrating an eligible  
23 claim.

24 (D) A statement indicating the consumer's belief that the dealer  
25 or lessor-retailer has ceased selling and leasing motor vehicles to  
26 the general public or has become subject to a petition in bankruptcy  
27 and the reasons for this belief.

28 (E) A statement indicating what action, if any, the applicant has  
29 taken to recover the amount of the eligible claim.

30 (F) A statement indicating that the consumer's application for  
31 payment does not include any amount for which the consumer has  
32 obtained recovery under the dealer's bond required by Section  
33 11710.

34 (2) Nothing in this chapter shall be construed to require a  
35 consumer to bring a civil action to obtain recovery, file a  
36 bankruptcy claim, or file a crime report with a law enforcement  
37 agency in order to obtain payment of an eligible claim submitted  
38 to the recovery corporation.

39 (c) The application shall be accompanied by a copy of the  
40 agreement between the consumer and the dealer or lessor-retailer,

1 unless the agreement is unnecessary to the recovery corporation's  
2 determination of the validity of the claim.

3 (d) If the eligible claim is based on the failure to remit license  
4 or registration fees, the application shall be accompanied by  
5 evidence demonstrating that the consumer paid money or other  
6 consideration for the fees, or became obligated to pay the fees,  
7 and that the fees had not been remitted. The eligible claim shall  
8 be limited to the dollar amount of the license or registration fees  
9 not remitted and a late charge or penalty.

10 (e) If the eligible claim is based on the failure to pay the  
11 proceeds of a consignment sale, the application shall be  
12 accompanied by the consignment agreement, evidence that the  
13 consigned vehicle was sold, and by the consumer's verified  
14 statement that the consumer did not receive the portion of the  
15 proceeds of the sale to which the consumer was entitled. The  
16 eligible claim is limited to the dollar amount specified in a written  
17 consignment agreement to be paid to the consignor.

18 (f) If the eligible claim is based on the failure to pay the legal  
19 owner of the consumer's trade-in vehicle, the application shall be  
20 accompanied by a statement from the legal owner of the amount,  
21 if any, that he or she received from the dealer or lessor-retailer.  
22 The eligible claim is limited to the dollar amount necessary to  
23 discharge the credit balance owing on the trade-in vehicle.

24 (g) If the eligible claim is based on the failure to pay the lessor  
25 of the consumer's trade-in vehicle, the application shall be  
26 accompanied by a statement from the lessor of the amount, if any,  
27 that the lessor received from the dealer or lessor-retailer. The  
28 eligible claim is limited to the dollar amount necessary to pay the  
29 lessor the total amount that the dealer or lessor-retailer agreed with  
30 the consumer to pay the lessor.

31 *(h) If the eligible claim is based on the failure to provide good*  
32 *title, the application shall be accompanied by a statement from*  
33 *the legal owner or other claimant of the amount, if any, that he or*  
34 *she received from the dealer or lessor-retailer. The eligible claim*  
35 *is limited to the remaining dollar amount necessary to discharge*  
36 *the valid security interest, lien, encumbrance, or other claim*  
37 *clouding title to the vehicle.*

38 *(i) If the eligible claim is based on the failure to pay third parties*  
39 *for insurance, service contracts, or goods or services, the*  
40 *application shall be accompanied by a statement from the third*

1 *party of the amount, if any, that he or she received from the dealer*  
2 *or lessor-retailer. The eligible claim is limited to the difference*  
3 *between the dollar amount the consumer paid or was contractually*  
4 *obligated to pay to the dealer or lessor-retailer for the insurance,*  
5 *service contracts, or goods or services purchased through the*  
6 *dealer or lessor-retailer and to be provided by the third party and*  
7 *the dollar amount actually received by the third party from the*  
8 *dealer or lessor-retailer for the insurance, service contracts, or*  
9 *goods or services.*

10 ~~(h)~~

11 (j) The recovery corporation may require reasonable additional  
12 information designed to facilitate payment of eligible claims.

13 ~~(i)~~

14 (k) (1) For claims that have accrued on or after July 1, 2008,  
15 and before January 1, 2009, the application shall be filed within  
16 18 months of the date upon which the dealer or lessor-retailer  
17 ceased selling or leasing motor vehicles to the general public or  
18 became subject to a petition in bankruptcy.

19 (2) For claims that have accrued on or after January 1, 2009,  
20 the application shall be filed within one year of the date upon which  
21 the dealer or lessor-retailer ceased selling or leasing motor vehicles  
22 to the general public or became subject to a petition in bankruptcy.

23 SEC. 5. Section 34601 of the Vehicle Code is amended to read:

24 34601. (a) As used in this division, “motor carrier of property”  
25 means any person who operates any commercial motor vehicle as  
26 defined in subdivision (c). “Motor carrier of property” does not  
27 include a household goods carrier, as defined in Section 5109 of  
28 the Public Utilities Code, a household goods carrier transporting  
29 used office, store, and institution furniture and fixtures under its  
30 household goods carrier permit pursuant to Section 5137 of the  
31 Public Utilities Code, persons providing only transportation of  
32 passengers, or a passenger stage corporation transporting baggage  
33 and express upon a passenger vehicle incidental to the  
34 transportation of passengers.

35 (b) As used in this division, “for-hire motor carrier of property”  
36 means a motor carrier of property as defined in subdivision (a)  
37 who transports property for compensation.

38 (c) (1) As used in this division, except as provided in paragraph  
39 (2), a “commercial motor vehicle” means any self-propelled vehicle  
40 listed in subdivisions (a), (b), (f), (g), and (k) of Section 34500,

1 any motortruck of two or more axles that is more than 10,000  
2 pounds gross vehicle weight rating, and any other motor vehicle  
3 used to transport property for compensation.

4 (2) As used in this division, “commercial motor vehicle” does  
5 not include any of the following:

6 (A) Vehicles identified in subdivision (f) of Section 34500, if  
7 the gross vehicle weight rating of the towing vehicle is 10,000  
8 pounds or less.

9 (B) Vehicles identified in subdivision (g) of Section 34500, if  
10 the hazardous material transportation does not require the display  
11 of placards under Section 27903, a license under Section 32000.5,  
12 or a hazardous waste transporter registration under Section 25163  
13 of the Health and Safety Code, and the vehicle is not operated in  
14 commercial use.

15 (C) Vehicles operated by a household goods carrier, as defined  
16 in Section 5109 of the Public Utilities Code, under the household  
17 goods carrier permit pursuant to Section 5137 of that code.

18 (D) Vehicles operated by a household goods carrier to transport  
19 used office, store, and institution furniture and fixtures under its  
20 household goods carrier permit pursuant to Section 5137 of the  
21 Public Utilities Code.

22 (E) Pickup trucks as defined in Section 471, if the conditions  
23 in subparagraphs (A) and (B) are also met.

24 (F) Two-axle daily rental trucks with a gross vehicle weight  
25 rating of less than 26,001 pounds, when operated in noncommercial  
26 use.

27 (G) Motortrucks or two-axle truck tractors, with a gross vehicle  
28 weight rating of less than 26,001 pounds, operated solely to tow  
29 a camp trailer, trailer coach, fifth-wheel travel trailer, trailer  
30 designed to transport watercraft, or utility trailer. Vehicle  
31 combinations described in this subparagraph are not subject to  
32 Section 27900, 34501.12, or 34507.5.

33 (H) Motortrucks or two-axle truck tractors, with a gross vehicle  
34 weight rating of less than 16,001 pounds, operated singly in  
35 noncommercial use.

36 (d) For purposes of this chapter, “private carrier” means a motor  
37 carrier of property, who transports only his or her own property,

- 1 including, but not limited to, the delivery of goods sold by that
- 2 carrier.

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